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- Hauptabteilung I (Main Department I), headed by Dr. **Alfred Baumbach** (SED):

c. Fachgebiet Medizin (TS Medicine), headed by Dr. Burkhardt (fmu)
(SED).

d. Fachgebiet Kohle und Energie (TS Coal and Energy), with Dr. Panning as acting head.

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Hauptabteilung II, headed by Roehl (fnu) (SED):

- a. Fachgebiet Maschinenbau (TS Machine Construction), headed by Dr. Kettner (fnu).
- b. Fachgebiet Elektrotechnik (TS Electrical Engineering), headed by Jacob (fnu).
- c. Fachgebiet Feinmechanik und Optik (TS Agriculture), headed by Dr. Herdtel (fnu) (SED).

3. In addition to its two main departments, ZAFI has a number of departments:

I. Abteilung Zusammenfassende Planung (Department for Integral Planning) (ZP), headed by Erich Bauer (SED). This Department is subdivided into the following Referate:

- a. Referat Auftragsbearbeitung (Processing of Orders) (AB), headed by Frau Kienemann (fnu) (SED).
- b. Referat Planbearbeitung (Processing of Plans) (PB), headed by Bleise (fnu) (SED) until 30 July 1953 when he resigned; no successor had been appointed as of mid-August 1953.
- c. Referat Statistik (Statistics), headed by Frau Dr. Francke, who is assisted by Frau Kienemann of Department AB.
- d. Referat Finanz (Finances), headed by Werner Sadlowski (SED)
- e. Referat Archiv (Archives), headed by Ruth Hager (SED), was separated from ZAFI at the end of June 1953 and transferred to WTZ (see below).
- f. Referat Haushalt (Budget), headed by Werner Pachtold (SED).

II. Abteilung Verwaltung (Administration), headed by Schlueter (fnu) (SED).

III. Abteilung Personal (Personnel) headed by Jurr (fnu) SED.

4. ZAFI had, in addition to the above mentioned departments, two other departments which were separated from ZAFI during the reorganization:

- a. Abteilung Wissenschaftlich-Technische Zusammenarbeit (Department for Scientific-Technical Cooperation) (WTZ), headed by Gaebler (fnu) (SED). This department, which is charged with cooperation with Eastern countries, was made independent and placed directly under State Secretary Kerber in the spring of 1953. It remained in the ZAFI building.
- b. Abteilung Normen und Gesetzesicherung (Department of Norms and Quality Control), formerly headed by Baumbach, was separated from ZAFI in April 1953 and was also placed directly under State Secretary Kerber. At the same time Baumbach was appointed head of the ZAFI Main Department I. Shortly after the Department of Norms and Quality Control was separated from ZAFI, it moved out of the ZAFI building, but it returned there some time later. It is there now but remains separated from ZAFI.

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5. The present control of ZAPT over East German research and development is to undergo a change at the beginning of 1954. Until the end of 1953 ZAPT will control completely industrial research and development, that is, research and development carried out in VEB enterprises. There, ZAPT control extends over the planning, financing and administrative and technical supervision of all research and development projects. As for academic research and development, that is, research and development carried out in institutes affiliated with the East German Academy of Sciences, the East German Academy of Agricultural Sciences, universities and other academic institutions, the picture is different. Research and development (henceforth designated as research only for the sake of convenience) carried out in such institutes is divided into two categories: (a) pure academic research, that is, research developing from the research program proper of the academic institution in question and not of immediate importance to the national economy; in the past such research has been independent of ZAPT, was planned within the research plan of the academic institution and was financed in the framework of its budgets. For the majority of academic institutes this kind of research has in the past made up the major part of total research activity. However, a smaller part of their research activity was found to be (b) research of importance to the national economy, in particular for the advancement of the aims of the Five-Year-Plan, and was therefore controlled by ZAPT in the same way as industrial research. As a result, many of the academic institutes financed their research from two budgets; the budget of their own academic institution and the ZAPT budget. In practice, it has happened that institutes have also financed pure academic research from the ZAPT budget for the simple reason that they did not have enough funds to finance it from the academic budget. During the spring and summer of 1953 negotiations took place among the State Planning Commission, ZAPT, the Academy of Sciences, the Ministry of Finance and the State Secretariat for Universities and Academic Matters, with the goal of changing the method of controlling research, assuring ZAPT total control over all research in East Germany. A plan was advanced whereby ZAPT would assume administrative, planning and financial control over research in all industrial enterprises and research in all academic institutes which more than fifty percent of their total activity to research activity, regardless of whether such research was of a pure academic nature or of importance to the national economy. Nearly all academic institutes fall into this category. However, the negotiations were prolonged with the result that the state budget for 1954 was established before any definite conclusions had been reached. As a result, the following compromise plan was adopted for 1954: ZAPT will exert total control, as before, over industrial research and over academic research of importance to the national economy. In addition ZAPT will assume control (except for financial control) of pure academic research. This change means that from the beginning of 1954 on, all pure academic research projects will be registered with ZAPT in the same way as industrial research projects; their progress will be subjected to ZAPT control in the same way that the progress of industrial research projects is. However, pure academic research projects will continue in 1954 to be financed through the budgets of the academic institutions concerned, and not through the ZAPT budget.

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7. The financing of research is handled along the following lines:

- a. Every year the State Planning Commission assigns to ZAPT a so-called control **figure** (Kontrollzahl) which represents the maximum amount of funds to be spent for all research in the following plan year. The control **figure** for 1952 (that is, funds to be spent for research in 1952) was 150 million DEM; the control **figure** for 1953 is 202 million DEM. A control **figure** can be changed in the course of a plan year by a decision of the Council of Ministers if unforeseen circumstances warrant such a change. For example: during the last months of 1952, it turned out that the 1952 control **figure** was too small and that an additional 26 million DEM were needed. Therefore, the Council of Ministers approved in December 1952 the expenditure of 26 million DEM over and above the funds originally approved. However, when the final 1952 accounting with the Notenbank was made in February 1953, it was found that none of the additional funds had been used. After a long investigation, it became apparent that promised deliveries of equipment and material had not been made and that the additional funds had therefore not been expended. The extra funds were thereupon returned to the Ministry of Finance.
- b. Department 2F of ZAPT divides up the total control **figure** (Globalkontrollnummer) into individual control **figures** for the various agencies. Each of these individual control **figures** represent the maximum amount of funds to be spent for research by all research centers under the control of the agency concerned. The agencies, in turn, break down their control **figures** into amounts to be allotted to every individual research center under their control. At the same time that the individual research centers receive the form sheets, they are informed of what funds are allotted to them for research during the plan year.
- c. After the global research plan is approved at the end of the year preceding the plan year, ZAPT sends a written request every month to the Ministry of Finance requesting that the funds be made available for research. The most that ZAPT can request in any one monthly letter is one-twelfth of the total amount approved for expenditure during the entire year. Every month the Ministry of Finance transfers the requested amount to the Deutsche Notenbank at Franzoesische Strasse in Berlin.
- d. The Berlin center of the Deutsche Notenbank is in possession of a file which lists every research project. This file consists of one sheet of paper for every individual research project. These sheets are made out by the appropriate higher administrative agency, which gives two copies to the Notenbank center and one copy to the Finance Referat of ZAPT. Each sheet lists the following information:
 - (1) the ZAPT number of the research project
 - (2) the research center where the project is carried out
 - (3) the responsible chief of this center
 - (4) the approved research funds (maximum one year)
 - (5) the limit

The limit is the maximum amount which the individual research center can dispose of during a given period of time. Up to and including 1952, the limit was one-twelfth per month of the amount approved per year. In 1953, the limit was increased to one fourth per quarter year. Under certain circumstances, a research

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8. In addition to East German industrial and academic research projects, ZAPT also handles research projects of SAG's which these enterprises were to pass through ZAPT. This, however, does not apply to all SAG research projects; it is known that SAG projects are also given directly to German research centers, thus not passing through ZAPT processing at all. Those which do are passed to ZAPT by USIG, Berlin-Weissensee, and are processed in much the same way as research projects of German origin. When SAG projects are processed in the technical sections of ZAPT, they are still recognizable as Russian projects; once they have obtained their ZAPT number, however, they cannot be distinguished from German projects. The Finance ~~Section~~ of ZAPT has no way of telling which of the projects came from SAG's. As in the case of German projects, financing of SAG projects handled by ZAPT is done by the Notenbank; it is not known whether the Notenbank obtains SAG re-funds for its payments.

9. Russian control over East German research and development is exerted in three ways:

- a. As mentioned in 6e, the total ZAPT research plan is subjected to Russian censorship before it is passed for final approval to the State Planning Commission. While it is not known that the Russians have actually changed the plan in this stage, they certainly have the opportunity to do so before it is ultimately approved;
- b. All research centers under ZAPT control are obliged to make quarterly, semi-annual and annual reports on the progress of their research projects; up to and including 1952, monthly progress reports were also required. Copies of these periodic reports go to ZAPT where they are filed in the Archives Referat of Department ZP. One copy of every report is sent by ZP to Karlshorst;
- c. Upon the completion of every research project, a final report (Abschlussbericht) in German and Russian must be forwarded to ZP. The Russian version is forwarded by ZP to Karlshorst;
- d. If a research project seems to contradict stipulations set forth by the Central Council Law, the project is marked with a red letter K by Referat AB of ZAPT Department ZP. The marked report is sent individually to Karlshorst; it can only be incorporated into the ZAPT research plan if specific Russian approval is obtained. It has happened in the past that projects had to be cancelled, either because of Russian objections or because no Russian approval was obtained.

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